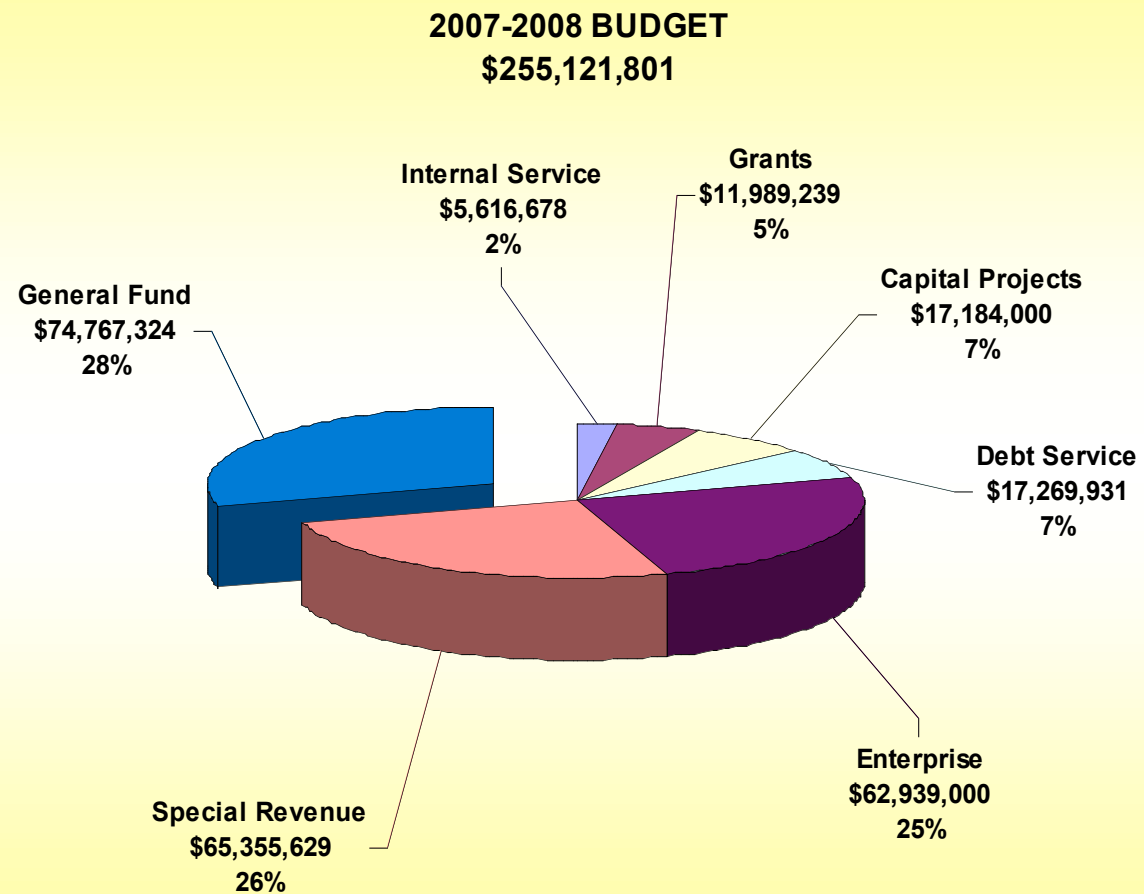




City Council Public Hearing

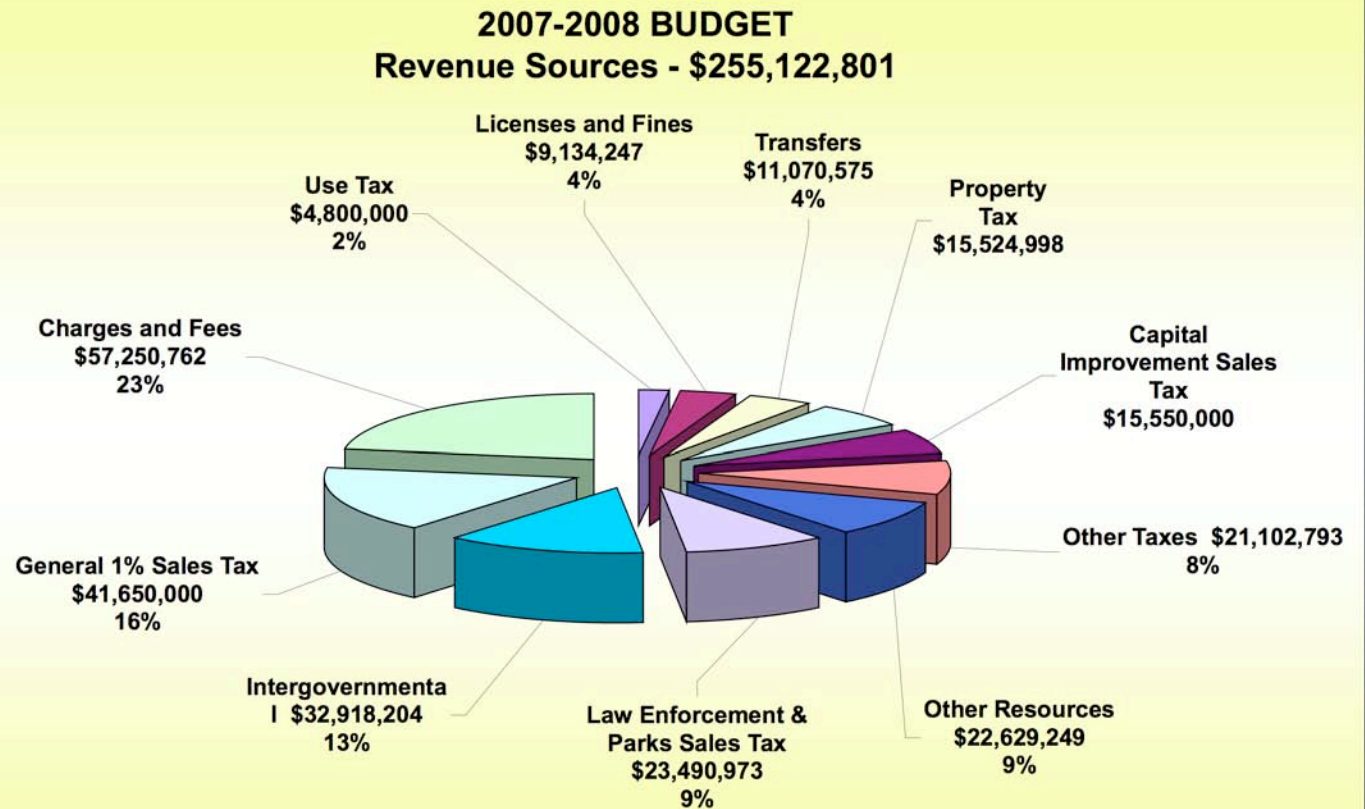
March 31, 2008

Operating Budget

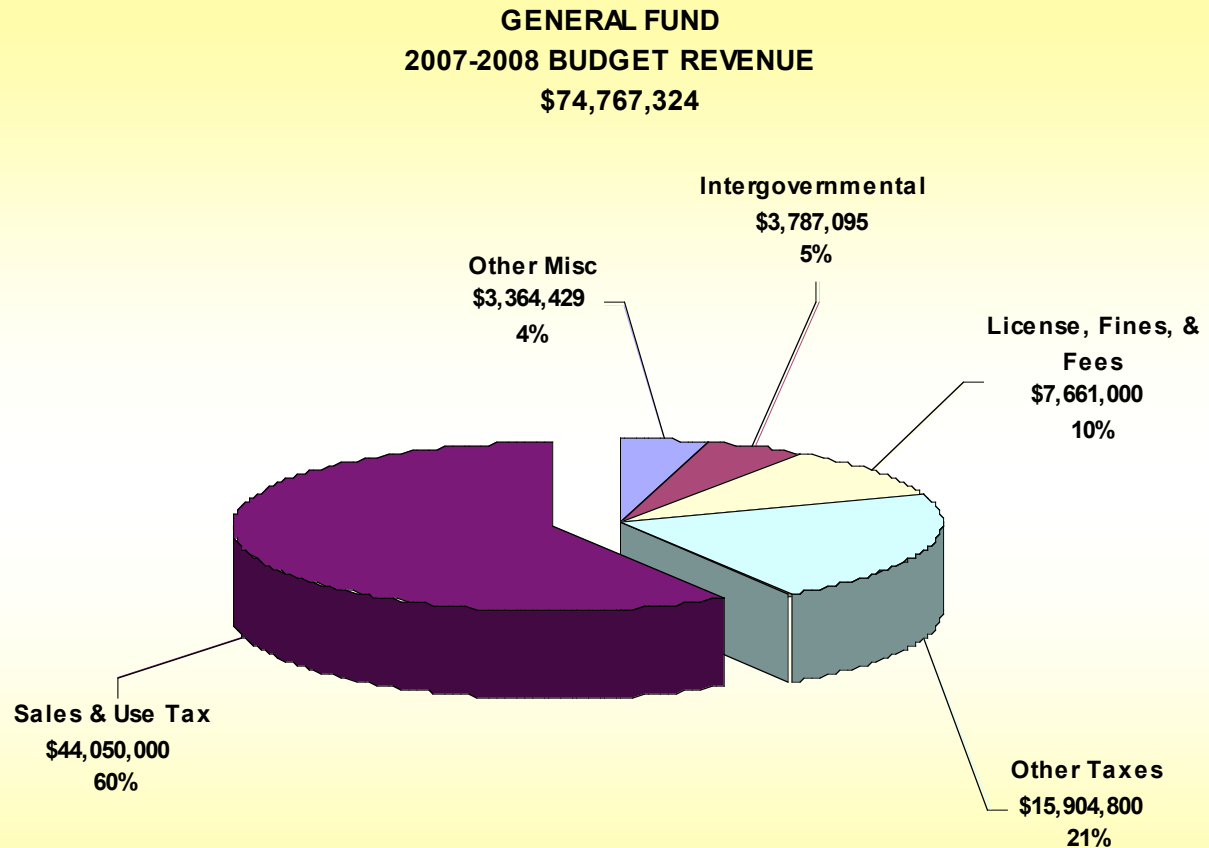




1% General Sales Tax as percentage of overall City budget

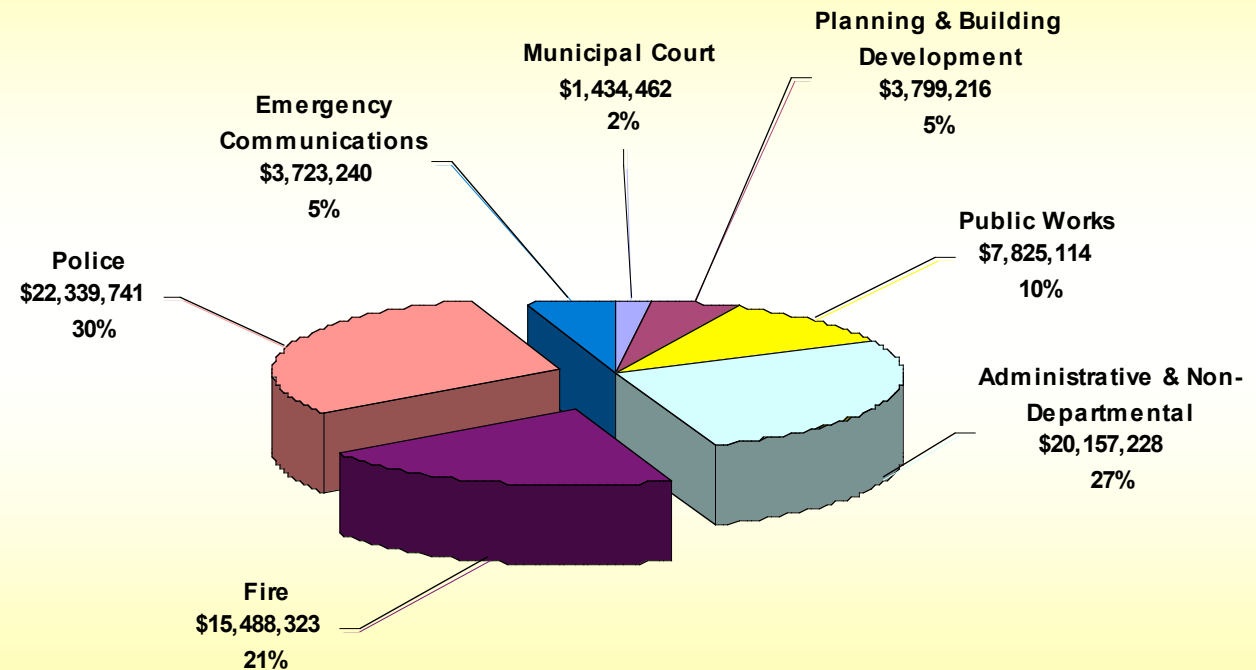


General Fund Revenue Sources



General Fund Appropriations

**GENERAL FUND
2007-2008 BUDGET APPROPRIATIONS
\$74,767,324**



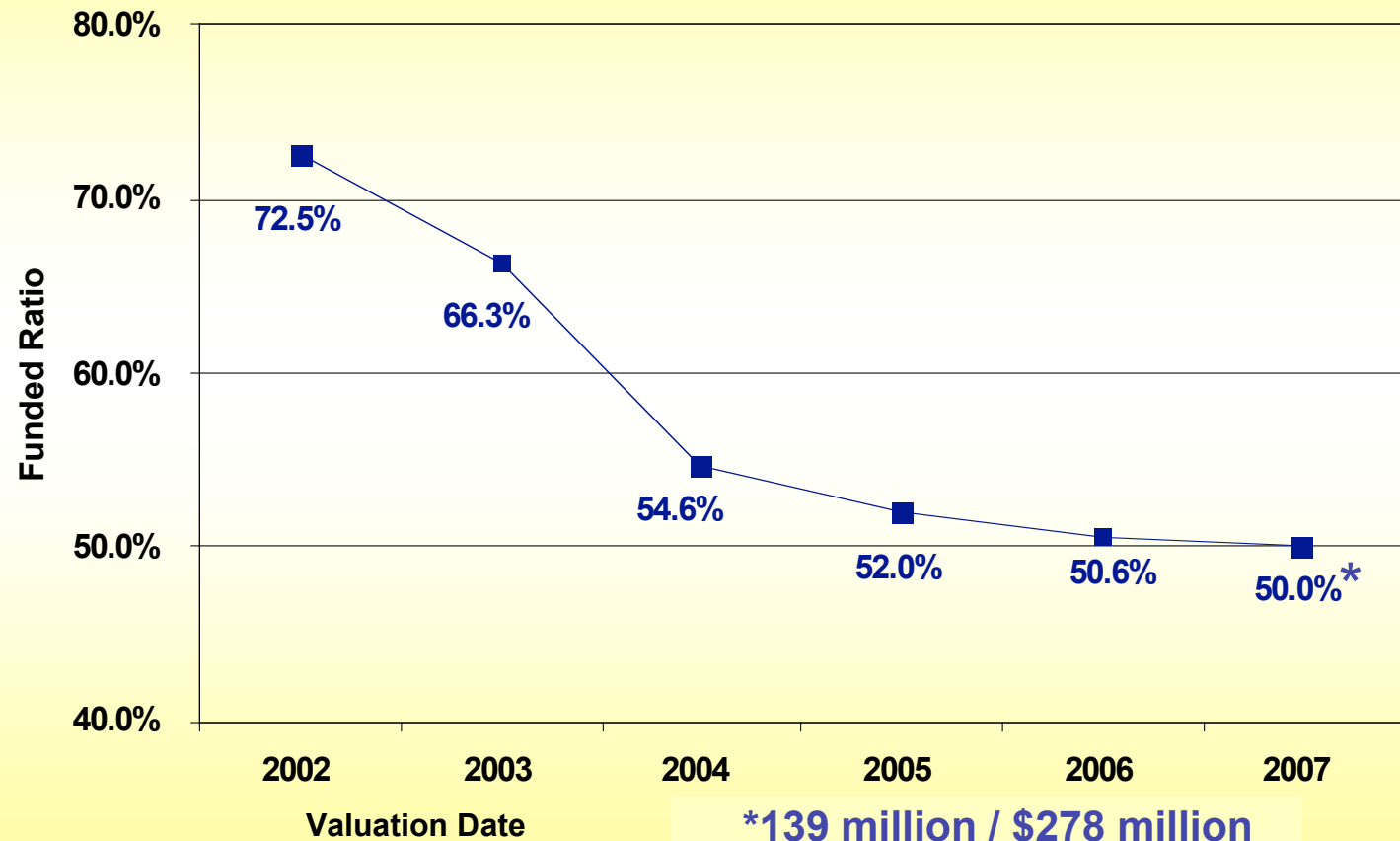


2008-09 Budget Process

- Budget projections remain at the same level budgeted for 2007-08 – essentially projecting no growth in 2008-09 from the 2007-08 budget.
 - Economic upturn projected during the next fiscal year.
- Flat budget expected to balance at current level of personnel, supplies/services.
- No revenue for new spending on additional personnel, pay or benefit increases.

Recent Funded Ratios

POLICE AND FIRE RETIREMENT FUND RECENT FUNDED RATIOS





Police/Fire Pension Charter Requirements

City cannot reduce actual benefits
under the plan for existing employees
without a public vote.



Police/Fire Actuary Recommendations

- Contribution rate should be increased to 50.21 percent of P/F payroll.
- For 2008-09 budget, that would be approximately \$12.5 million.
- That creates gap of \$5.2 million.
(\$12.5 million less \$7.3 million City currently paying into system.)



How to Close the Gap?

- General Fund revenue: A 7 percent decrease in personnel and supplies/services would raise about \$5.2 million a year.
- General Fund could not sustain ongoing budget reduction of that size without severely affecting basic General Fund government services, including:
 - Police
 - Fire
 - Public Works
 - Building Development Services
 - Human Resources
 - non-departmental, and
 - other General Fund areas.



New State Law

- General Assembly voted in 2007 to require Missouri cities to make actuarial contribution in one of five years or have 25 percent of all revenue funneled through the State withheld by the State.
- 2008 is first year of five-year period.
- Making full contribution will get more expensive in successive years.



Budget Timetable

- **April, 2008**
Council Budget Workshops continue.
- **April 8, 2008**
Deadline for Council and Public Budget suggestions/ideas.
- **May or June, 2008**
2008-09 budget goes to City Council for 1st and 2nd readings.
- **July 1, 2008**
New budget year begins.